



## PBS Customer Forum Series – Q & A



### **Topic: Leasing Highlights**

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### **Session Resource Links:**

- [Leasing Desk Guide](#)
- [Leasing Alerts and Lease Acquisition Circulars \(LAC\)](#)
- [Lease Offer Platform](#) -
- [Pricing Desk Guide, 5th Edition](#) - on gsa.gov
- Contact us at [brokerservicesinfo@gsa.gov](mailto:brokerservicesinfo@gsa.gov)

### **GSA Move Cost Program (MCP)**

**What are some of the added benefits to using the move cost program besides solving the upfront funding issue?**

**Answer** - Besides deferring upfront costs and being able to fund other projects in your portfolio that may have been delayed or cancelled without the required funding, using the Move Cost Program may assist in avoiding costly lease extensions that typically carry a high rate premium. Using the MCP will also foster more competition, which could result in a lower long term rental rate as well.

Agencies that have a higher customized tier may also find this Program beneficial since many of those costs are typically required to be funded via RWA as well. Another great feature of this program is that move services and furniture can be procured and funded by the lessor, which again requires upfront RWA funding.



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### ***Original/Lease Term 20 years in your example?***

**Answer** - I believe it operably relates to the term itself, as opposed to the move cost specifically. Correct. In that example, we are basically looking at a 20 year lease term to calculate those savings. Annual savings would be approximately \$2.2 million, so, if you were doing a shorter lease term, it would obviously be less. It would be close to \$44 million in savings over a 20 year term.

### ***Our agency would like to stay in place, but we have way more space than we need. Can we still use the move cost program to help us with funding the cost to renovate in place?***

**Answer** - Yes. While the program is called the Move Cost Program, there is specific language in the RLP (Request for Lease Proposal) that explains how to offer if you are the incumbent, (which is the current lessor). So, again, the intended use of the program is really to help agencies fund their movement toward an optimized footprint. So, if the agency is able to reduce their space in their current location, and the current lessor would like to offer, we fully support that decision as well for program usage.

### ***I know we are discussing lease space. But, do you know whether these tools can be used in federal space? Or are there any alternatives there, say, to move from leased space to federal space?***

**Answer** - Yes. We do actually have a Project Liquidity Program for the Federal side of the house. My colleague, Brian Tye, is the expert for that Program. So, if you're interested, please contact me and I can put you in touch with him.

### ***What are the minimum limits to the Move Cost Program?***

**Answer** - If you are talking about lease size, we don't really have a minimum limit established. But, as I had mentioned before, an ideal candidate would be



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one that is downsizing enough to make a compelling business case. Essentially, your reduction of space should outweigh your move and replication costs.

### ***GLS Plus***

#### ***Is this an RWA fee based service?***

***Answer*** - No, it is not an RWA fee based service. Brokers receive their payment from the lessor as a percentage of the aggregate lease value, and client agencies are credited a portion of the Broker's payment through a reduction in the client agency's shell rental rate for the first month(s) of a lease.

#### ***Is this only available if GSA is the lead procuring agency?***

***Answer*** - Yes. While we are aware that there are other agencies who have their own brokerage tools, you are only able to use GSA Broker Contracts if GSA is leading the acquisition.

#### ***Do the Requirements Development Services discussed in slide 10 include BIM? And, do those BIM requirements and resulting data product(s) get driven to the ePM system automatically, and/or to regional building data SME's and technical teams?***

***Answer*** - Unfortunately, no. Building Information Modeling (BIM) is more of an architectural or engineering specialty. Our brokers are realty specialists. They are only required to perform functions that we would require of government realty specialists and are not able to provide BIM.



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***Do customers need special software to read the files from the types of cameras that are used on 360 virtual market surveys?***

***Answer*** - No. Our customers do not require special software to read the files. The brokers have all of the software that is required to manage a presentation like this. The brokers are responsible for capturing the images and presenting them to GSA and our customers in a presentation-style format.

***Can a portfolio of work include projects in multiple states?***

***Answer*** - Yes. A portfolio of work can include projects in multiple states. In fact, we are able to place a variety of projects together as one portfolio. We encourage our customers to submit large bodies of work so we are able to gain efficiencies and the benefits of taking a look across the portfolio of work, rather than individual one-off projects.

***Can you discuss whether a Program of Requirements (POR) is part of the requirements that can be covered by these Enhanced Services?***

***Answer*** - A Program of Requirements (POR) is exactly what is provided under Enhanced Requirements Development services. The contract allows for a macro POR, which includes information like an executive summary, personnel counts, adjacency diagrams, gap analysis, narratives and much more. This agency-specific POR is designed to support your Request for Lease Proposals (RLP) and give the market a clear picture of your agency's specific requirements necessary to build out a space, which saves time and avoids surprises during the space design process.



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### ***SLAT (Simplified Lease Acquisition Threshold)***

***Is this going to be publicized in the LDG (Leasing Desk Guide)? And follow up...delegated agencies can also benefit?***

***Answer*** - This model was formally issued through Leasing Alert LA-20-13 on October 8, 2021 and is already in use on over 100 projects across the country in every region. There is a revision to the Leasing Desk Guide in progress which will incorporate this model into the guide. Delegated agencies can use this model although it would be helpful to consult your internal policy guidance for additional rules or procedures that may apply within your agency.

***For SLAT acquisition, only the lowest price technically acceptable offer proceeds to Due Diligence? Please explain again the fall back strategy if the early winner degrades during the diligence period.***

***Answer*** - This 2 step bidding process has been used by the leasing program with our Automated Advanced Acquisition Program (AAP) for many years now. This 2 step process has been well received by the private sector as it can save offerors who do not proceed to the second due diligence step significant time and money. During the second step, the govt. conducts more in depth due diligence screening on the apparent lowest offeror. It is possible that as a result of that review, the offeror is found to be incapable of meeting our requirements. When this occurs, the Lease Contracting Officer moves to the next apparent lowest offeror and begins the due diligence process with that new offeror.

Since all offerors receive a copy of the RLP and Lease before they bid, the offeror can generally determine if their building is capable of meeting our requirements or not. So, these issues of an offeror proceeding to step 2 and not being able to fulfill our requirements are not common.



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***Seems like a lot of SLAT's success rides on the customer approving the property after the walk through. What types of things would be legitimate reasons to decline?***

***Answer*** - Buildings should be accepted or rejected based on the agency's legitimate, identified requirements which are agreed to by GSA and the customer before the acquisition begins. The reasons to reject a building using the SLAT model would be the same as with any other model, such as our global model. For example, if the customer had identified a requirement for first floor space, GSA would normally screen the offers to ensure that the space was on the first floor before we proceeded to a building tour. In the event that a building is seen on the building tour that is not capable of meeting the customer's requirements, that space would be rejected and the next lowest offered space would be considered.

***The normal acquisition process takes 24+ months. What should we expect for a SLAT timeframe?***

***Answer*** - It is difficult to provide generic estimates as even projects under the simplified threshold (SLAT) can vary significantly due to project specific parameters. You should work with your GSA project manager to obtain a schedule at the beginning of your project.

***Which Leasing Alert covers the SLAT model?***

***Answer*** - Leasing Alert (LA-20-13), dated October 8, 2020; and LA-20-13 SLAT Model Templates and Ins 10-8-2020. You can find all our Leasing Alerts on our [gsa.gov](https://www.gsa.gov) website

***Can we use the broker if we are using the SLAT Model?***

***Answer*** - Yes!



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***Can the SLAT Model be used for a sole source succeeding lease?***

***Answer - Yes!***

### **The Future of GSA Leasing (Online Tools)**

***What is the difference between the online tools?***

***Answer*** - The Lease Offer Platform (LOP) (<https://lop.gsa.gov/>) is the main landing page that houses the links to access the Automated Advanced Acquisition Platform (AAP) and the Requirement Specific Acquisition Platform (RSAP). AAP is a multiple award lease procurement tool. It uses a single RLP for multiple space requirements and allows offerors to submit final offers only. There are no negotiations with AAP. RSAP is a single award lease procurement tool. It uses a single RLP for a single/specific space requirement and allows offerors to submit initial, revised, and final offers. RSAP allows for negotiations. Another important distinction is that AAP is for projects managed solely by GSA (in-house projects). RSAP is for projects managed by GSA (in-house) or by our broker partners.

***Do client agencies need access to the online tools discussed?***

***Answer*** - No, client agencies do not need access to the online tools — only building owners or their representatives. But, it is important for clients to know: which tool GSA is using, how that tool benefits the customer, and what the customer can do to facilitate the process (i.e. provide complete requirements early).



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***Whom do we contact with questions regarding online tools?***

***Answer*** - Client agencies should contact [LOP.manager@gsa.gov](mailto:LOP.manager@gsa.gov).

***Do you find these tools to be successful in smaller markets?***

***Answer*** - Yes. As long as market research shows that competition is present, GSA should be able to leverage competition to drive competitive final proposals. In addition, we — as a central office component — are always available to support our folks in the region to address unique market characteristics.